



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

Alec Pointevint, Treasurer  
Republican National Committee-RNC  
310 First Street SE  
Washington, DC 20003

MAY 7 1997

Identification Number: C00003418

Reference: 30 Day Post-General Report (10/17/96-11/25/96)

Dear Mr. Pointevint:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Line 11(a)(i) of the Detailed Summary Page of your report discloses a total of \$6,359,167.77 in itemized contributions from individuals. This figure is not completely supported by Schedule A due to the omission of Pages 1724 and 1726 of the schedule. Please amend your report to provide the missing page to fully support your Line 11(a)(i) figure.

-Schedule A supporting Line 12 of the Detailed Summary Page discloses \$1,350,000 in transfers from the RNC State Victory '96 committee which is a joint fundraising committee. The memo attached to the voluminous memo Schedule A to support these transfers only references one \$50,000 receipt. Additionally, two different aggregate year-to-date receipt figures exist for the RNC-State Victory '96 committee. Please clarify the total amount of joint fundraising receipts received from this committee.

-Line 21(b) of the Detailed Summary Page of your report discloses a total of \$1,109,041.02 in federal operating expenditures. The sum of the entries itemized on Schedule B, however, indicates the total to be \$1,018,132.79. Please amend your report to clarify the discrepancy.

-Please clarify all expenditures made for media costs, media buys, production costs and satellite time disclosed as shared administrative expenses on Schedule H4. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedule B or F supporting Line 23 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §104.3(b)

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule H4 of your report to clarify the following description(s): Event Costs. For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Schedule F supporting Line 25 discloses incorrect coordinated expenditure aggregate year-to-date totals for the following candidates: Orson Swindle, III, Dana Covington, Michael Pappas and Bob Dole. Please amend Schedule F to provide the corrected figures.

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. In order for your committee to accept contributions from unregistered organizations into accounts used to influence federal elections, your committee should take steps to insure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received impermissible funds, the Commission recommends that you transfer the impermissible funds to an account not used to influence federal elections or refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR §103.3(b). In order to protect the donor's interests, the Commission recommends that you inform the

contributor(s) in writing to provide the donor(s) with the option of receiving a refund or granting written authorization for a transfer to another account.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. Should you choose to transfer-out or refund the contribution(s), the Commission will presume the funds were impermissible if no statement from your committee provides information to the contrary. Transfers-out and refunds should be disclosed on a Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, prompt action by your committee in transferring-out or refunding the amounts will be taken into consideration.

-Your report provides 10,662 pages of a memo Schedule A to support the \$50,000 transfer from the RNC-State Victory '96 Committee. As a majority of the contributions received from individuals into your committee were less than \$1.00, be advised that few if any of these entries require full itemization. After a fundraising representative in a joint fundraising venture distributes the net proceeds to a participating political committee, the participant reports its share as a transfer-in from the fundraising representative. Using the records received from the fundraising representative, the participating committee itemizes its share of the gross receipts as contributions from the original donors on a memo Schedule A to the extent required by the rules on itemization. While information for all contributors should be kept in the committee's records, only receipts which exceed \$200 per calendar year, singly or when aggregated with other receipts from the same source, need to be itemized as memo entries on Schedule A. In the future, please note the above guidelines for determining what contributions should be itemized to support transfers received from a joint fundraising committee. Should the committee choose to itemize all the receipts, regardless of the \$200 threshold, it should use a separate memo schedule A to itemize these smaller donations to facilitate complete and proper entry of the committee's information onto the public record.

-As on several previous reports, Schedule H4 discloses payments for "shared" fundraising events which use an allocation ratio of either 100% federal or 100% non-federal as indicated on Schedule H2. The Commission notes your consistent explanation of your committee's anticipation of receiving funds into both the federal and non-federal accounts as you prepare to begin each shared fundraising effort. Please be advised that the allocation regulations exist to allow the federal account to offset its

expenditures for truly shared activities. In the future, it would be in the best interest of the committee to provide the original allocation ratio estimate for any event which was determined to benefit only one account at the end of the activity and to disclose any 100% federal disbursements on Schedule B supporting Line 21(b).

-For future reporting, please be advised that only contributions to federal candidates and political committees should be itemized on a separate Schedule B supporting Line 23 of the Detailed Summary Page. Contributions to non-federal candidates and committees should be itemized on Schedule B supporting Line 29.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,



Amy Suzanne Reynolds  
Reports Analyst  
Reports Analysis Division

NEW YORK SALUTE 1996 COMMITTEE  
FEDERAL ACCOUNT

<u>NAME/ADDRESS</u>	<u>TOTAL AMOUNT</u>	<u>RNC FEDERAL ACCOUNT</u>	<u>NEW YORK FEDERAL ACCOUNT</u>
E J BURNS P O BOX 1051 ROCHESTER NY 14603	\$200.00	\$133.40	\$66.60
J D CANONI P O BOX 1051 ROCHESTER NY 14603	\$200.00	\$133.40	\$66.60
MARSHALL W KELLEY 85 HORATIO STREET APT 31B NEW YORK NY 10014	\$1,250.00	\$832.75	\$416.25
LESTER PETRACCA 25 BONNE HEIGHTS RD MANHASSET NY 11030	\$1,000.00	\$667.00	\$333.00
S S ROBOGEL P O BOX 1051 ROCHESTER NY 14603	\$100.00	\$66.70	\$33.30
ROBERT C WRIGHT 734 SASCO HILL ROAD FAIRFIELD CT 06430	\$500.00	\$333.50	\$166.50
DONNA L SESENA 5 DERRY ST EAST PATCHOGUE NY 11772	\$30.00	\$20.01	\$9.99
NEW YORK SALUTE 1996 COMM NON-FEDERAL TRANSFER 310 FIRST STREET WASHINGTON DC 20003	{ \$1,271.67 }	{ \$848.20 }	{ \$423.47 } <i>asr</i>
DISTRIBUTION	\$7,932.88	\$5,201.23	\$2,641.65

